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2 NATIONAL INDIAN GAMING COMMISSION

3 CLASS II CLASSIFICATION STANDARDS

4 GOVERNMENT-TO-GOVERNMENT CONSULTATION MEETING

5 WITH THE CITIZEN POTAWATOMI NATION

6

7 HELD IN OKLAHOMA CITY, OKLAHOMA

8 ON AUGUST 8, 2006

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24 REPORTED BY: TRENA K. BLOYE, CSR

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1 APPEARANCES

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4 NATIONAL INDIAN GAMING COMMISSION:

5

6 Philip N. Hogen, Chairman

7 Cloyce "Chuck" V. Choney, Commissioner

8 Natalie Hemlock, Special Assistant to the

9 Commission

10 Penny Coleman, Acting General Counsel

11 Michael Gross, Senior Attorney

12 John R. Hay, Staff Attorney

13 Joseph M. Valandra, Chief of Staff

14 Tim Harper, Region Chief, Region V

15 Marcy Pate Olber, Senior Field Investigator

16 Jeanette Ross, Field Investigator

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19 ON BEHALF OF THE CITIZEN POTAWATOMI NATION:

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21 John A. Barrett, Chairman

22 Jason Greenwalt

23 Steve Degraffenreid

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1 COMMISSIONER CHONEY: Welcome to
2 this Class II standards consultation. For
3 your information, these proceedings are being
4 recorded and they will be made a matter of
5 public record. A transcript will be made, and
6 in addition, we will be putting the meeting on
7 our website.

8 And also, the transcripts will be
9 available upon your request, and also they
10 will be available to anyone who requests them,
11 since this is a matter of public record.

12 And for the record, I would like
13 to introduce Phil Hogen, chairman of the

14 National Indian Gaming Commission. Sitting
15 next to Phil is Penny Coleman, acting director
16 of our Office of General Council. Seated next
17 to her is Michael Gross. He is also a senior
18 attorney in our OGC.

19 Seat being next to him is Tim
20 Harper. He's our region director out of
21 Tulsa. Seated next to me is Joe Valandra.
22 He's our chief of staff. Next to him is
23 Jeanette Ross, also a field investigator from
24 Tulsa. And also John Hay, he's a senior
25 attorney in our Office of General Counsel.

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1 Seated next to me, but she stepped out for a
2 moment, is Natalie Hemlock. She's also a
3 special assistant to the Commissioner. If at
4 any time you feel like you want to discuss any
5 other matters pertaining to your tribe in
6 addition to gaming, feel free to do so, but
7 then we have to do go off the record to do it,
8 because I'm sure you don't want your private
9 tribal matters to be made public. So we will

10 go off the record.

11 Also, for the record, if you could

12 identify yourselves.

13 CHAIRMAN BARRETT: I'm John

14 Barrett. I'm tribal chairman of the Citizen

15 Potawatomi Nation.

16 MR. DEGRAFFENREID: Steve

17 Degraffenreid, general manager, Fire Lake

18 Grand Casino.

19 MR. GREENWALT: Jason Greenwalt,

20 gaming commissioner, Citizen Potawatomi

21 Nation.

22 COMMISSIONER CHONEY: Again,

23 welcome. Chairman Hogen?

24 CHAIRMAN HOGEN: Good afternoon.

25 For the record, this is Commission Chuck

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1 Choney, who is no stranger to Oklahoma or to

2 you. But welcome. And we really appreciate

3 you take being advantage of our request for

4 government-to-government consultation on this

5 serious subject.

6 On the 25th of May we published in
7 the "Federal Register" proposals to adopt
8 classification regulations and revise
9 definitions that relate to distinguishing the
10 electronic and technologic aids tribes can use
11 to play Class II gaming from those electronic
12 facsimiles of games of chance and slot
13 machines of any kind that require compacts.

14 We know Citizen Band is not a
15 stranger to this issue. We have talked before
16 about what can and can't be done, whether it's
17 the card table or whether it's a machine on
18 the floor that falls into Class II.

19 In addition to these
20 classification standards that we have proposed
21 on Friday, we will be publishing our technical
22 standards that are a companion piece to these.
23 We had drafted those, for the most part, a
24 year ago. But when we decided now is the time
25 to go forward with the proposal, we realized

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1 they got a little stale. There was some

2 technologic development that required they be
3 updated. So we made some minor changes and
4 they will be published on Friday.

5 And we have extended the comment
6 period for classification standards to the
7 30th of September. That's also the closing
8 date for comments on the technical standards.

9 And on the 19th of September we
10 will be holding a public hearing in
11 Washington, DC focusing on this subject. We
12 will have a panel of presenters from several
13 different areas in addition to tribes and
14 regulators, we will be hearing from vendors
15 and machine manufacturers. We will probably
16 also have a panel of state presenters for the
17 state's point of view.

18 At the end of the comment period,
19 we will close the door and look at all that's
20 been said to us it and what we have written
21 and decide, should we go forward with these
22 or, if so, should we make some changes. And
23 hopefully, complete this process by the fall.

24 We have been at it for a long

25 time. I think that unless or until we draw

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1 that brighter line, bring some clarity, there
2 will continue to be problems. Once we have
3 clarity, I think the industry can kind of get
4 on with this.

5 Fortunately in Oklahoma there are
6 compacts. I know that's not the only
7 solution. You can't just say, "Don't worry
8 about Class II. You have compacts." Class II
9 gaming was the foundation of the gaming as we
10 know it now and it will always be important.
11 But congress said there's going to be a
12 difference, and we are just trying to clarify
13 that.

14 So, having said that, we invite
15 you to share your comments and questions and
16 thoughts with regard to what's been proposed.

17 CHAIRMAN BARRETT: Chairman Hogen,
18 you said congress has said there will be a
19 difference. How have they described those
20 differences?

21 CHAIRMAN HOGEN: They said the
22 tribes could use electronic technologic aids,
23 computers to play Class II games. They said
24 that if a game becomes an electronic facsimile
25 of a game of chance, it falls into Class III.

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1 What they didn't say a lot about were the
2 details that distinguish, though, is an area,
3 and some confusion has been generated and
4 that's where we are trying to bring some
5 clarity.

6 CHAIRMAN BARRETT: Well, from our
7 perspective, we're opposed to the changes,
8 even though the new facility that we're
9 developing or expanded facility that we're
10 developing and devoting our resources to is
11 entirely compact games, because of the
12 uncertainty of the issue. But our existing
13 facility that has been responsible for,
14 virtually, our economic rebirth has been based
15 on Class II machines.

16 We think, we believe that this

17 whole issue is primarily motivated in response
18 to Governor Schwarzenegger's objection to the
19 Class II game expansion of the maximum number
20 of Rancheria machines in Rancheria-owned
21 casinos when they reached their Class III
22 impact limit and Class II games is when all of
23 this started to happen about Class II.

24 The threat of the criminalization
25 of regulatory process from DOJ is the sort of

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1 Damocles that is held over our head to some
2 how make this whole issue more palatable and
3 it isn't more palatable.

4 Class II gaming, for the simple
5 reason that the Indian Gaming Regulatory Act
6 specifically says that the states are not to
7 participate in Indian gaming, in the revenues
8 from Indian gaming. And it has become, I
9 believe, the policy of the National Indian
10 Gaming Commission to assist the states in
11 participating in gaming revenues by this
12 regulatory process that we are going through

13 today, and that is unfortunate.

14 Because, just like the -- just
15 like the shooters in the trains that went by
16 and killed all the buffalo before, if Indian
17 gaming was the new buffalo, I can hear the
18 shots. I can hear the shots right now with
19 this kind of regulatory process.

20 If you put a ten-second delay on
21 the button of an electronic aid to bingo, then
22 that's the end of it. It's over for that kind
23 of machine. It certainly can't compete.

24 The Class III game, the compact
25 game, it will force all the tribes into

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1 compacts, which is the intent, I think, of
2 this effort, is to force us into compacts
3 which provide the state access to gaming
4 revenue from tribes.

5 And I wish it were otherwise, but
6 we are caught in a squeeze here between
7 election year politics and pressure from --
8 political pressure to -- you know, to stem

9 this progress that tribes are making from
10 gaming revenues.

11 The sad part about it is that in
12 Oklahoma, you know, I have been sort of a
13 voice crying in the wilderness about Class II
14 games that are dominated by two or three
15 vendors that have very large profit
16 participations. I think the tribes should
17 have owned these Class II games all along.
18 But the regulatory environment was such when
19 we went into electronic games that you never
20 knew if they were going to get seized on New
21 Year's Eve night by the U.S. Attorney or not.
22 You never knew what the regulatory environment
23 was.

24 We went through this, didn't we,
25 Tim, and we certainly with Ms. Coleman we have

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1 danced that dance repeatedly as to what is or
2 what isn't an electronic game. The sad part
3 of this is we are all going to get forced into
4 giving up revenue to the state. And the next

5 thing that comes after that is steadily
6 increasing requirements from the state of how
7 much you pay. Because we have taken the
8 process out of the government-to-government
9 relationship, between the federal government
10 and the tribes. Now, we have injected the
11 state into the package.

12 I don't imagine I'm the first one
13 to say that.

14 CHAIRMAN HOGEN: We have heard
15 some of those things, but I don't know if
16 anybody said it as well as you did, Chairman.

17 CHAIRMAN BARRETT: I told them
18 outside that I felt like a prisoner in
19 consultation with the warden. I wasn't all
20 together sure how much effect it was going to
21 have on the outcome.

22 At least for the record, we are
23 opposed to it. If you have to put it into
24 effect, put it into effect in California,
25 which is where the problem is.

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1 The issue of Class II at some
2 point I would think that what is, you know --
3 what is the point, I guess. I mean, I'm
4 missing the point. Are we looking for the
5 intent of congress here?

6 CHAIRMAN HOGEN: I'm looking for
7 the intent of congress, yes.

8 CHAIRMAN BARRETT: Well, we are
9 missing some of that other language in the
10 Indian Gaming Regulatory Act. We seem to be
11 dwelling on the facsimile issue and we are
12 missing out on the issue of whether or not
13 states are allowed to participate in Indian
14 gaming revenues.

15 That ought to be the primary
16 concern to the Indian Gaming Regulatory Act.
17 That should be, in my opinion, the concerns of
18 the National Indian Gaming Commission, to be
19 or advocate to keep the states from ever
20 increasing levels of participation in tribal
21 gaming revenues, but it's working just the
22 opposite. That's the sad outcome.

23 I have been in office since 1971.

24 And coming from virtually nothing, not even a
25 telephone, to where we are now, I can tell you

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1 that without gaming we wouldn't own the
2 largest tribally owned bank chain in the
3 United States. Without gaming we wouldn't
4 have the largest stand-alone grocery store in
5 Oklahoma. Without gaming we wouldn't own our
6 own medical facilities. Without gaming we
7 wouldn't be funding 1500 tribal scholarships,
8 college scholarships a semester. Without
9 gaming, we wouldn't have those things.

10 It has been done in an uncertain
11 regulatory environment this entire period.
12 You never knew whether you were going to get
13 fined. You never knew whether the game was
14 going to be legal or not legal. And we played
15 regulatory roulette for an awfully long time.

16 And you are saying now that this
17 set of regulations and these technical
18 standards to come are the final resolution of
19 the regulatory roulette that we were playing.

20 Not really. We just loaded all the cylinders

21 in the gun. So it's not roulette anymore.

22 We're going to shoot ourselves.

23 CHAIRMAN HOGEN: Well, I think we

24 agree that it's been difficult and that tribes

25 like the Citizen Band have done admirably in

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1 the face of that difficulty.

2 CHAIRMAN BARRETT: If I may,

3 Chairman, I'm sorry to interrupt you. But

4 seven years ago I went through an exhaustive

5 process to get our constitution amended to

6 take "Band" out of our name, because it has

7 been the Citizen Potawatomi Nation now. This

8 is our eighth year that we were able to

9 distinguish ourselves from being a subset of a

10 tribe as a band. We are actually a federally

11 recognized tribe on our own.

12 CHAIRMAN HOGEN: Thank you for

13 that clarification. I will try to remember

14 that.

15 But you folks have done remarkably

16 well under the circumstances. I believe that
17 when IGRA created the National Indian Gaming
18 Commission and mandated that it promulgate
19 some federal standards, that an area that
20 seems obvious to cry out for some of those
21 standards is clarifying distinction between
22 compacted and uncompact gaming equipment.

23 And I don't know for sure that
24 your road would have been an easier one, had
25 that clarification been made ten years ago as

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1 opposed to being in a state of flux, but it
2 might have been. I think in the future
3 tribes, vendors will be better served if there
4 is clarity here.

5 It will not be useful if we come
6 up with a set of standards that stymies
7 creativity and doesn't permit innovation. I
8 don't think the standards that we are
9 proposing do that.

10 The court cases that have helped
11 form what the law is right now focus primarily

12 on the Mega Mania machine. And that was a
13 clunky bingo terminal that had four bingo
14 cards on it. You couldn't play it until
15 twelve people were there ready to play it.
16 And once you did play it, it took about a
17 minute to play. Technology has come leaps and
18 bounds since that time.

19 The regulations that we have
20 proposed would permit as few as two players to
21 play, and they could play in as quickly as ten
22 seconds. But that's a long way down that
23 road. And we think that's close to the
24 shortest period of time you can have to permit
25 some meaningful player participation.

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1 We think that is what
2 distinguishes a game that's automated and a
3 facsimile from a game that's permissible as an
4 aid. We are still looking at what are the
5 right time frames or how specific should be
6 with time frames.

7 But we think that's what the

8 congress intended when they set out these
9 criteria for bingo and said you can do that
10 without a compact. But if it becomes, you
11 know, facsimile, it's no longer in that
12 category.

13 We don't want to shoot the new
14 buffalo. We want to foster it, if we can. If
15 we just are asleep at the switch and let this
16 thing get out of control, and I think, you
17 know, if there isn't now, there certainly was
18 a time when it was out of control.

19 And I wouldn't have pointed to
20 California as the place where, you know, there
21 was the greatest concern. I would have
22 pointed to Oklahoma where we closed
23 facilities. We fined tribes millions of
24 dollars for playing uncompacted games.

25 And in terms of election year

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1 politics influencing any of this, I'm not
2 smart enough to have orchestrated a time frame
3 the way it is. I hoped we would be done with

4 this last summer, but we hit a bump in the
5 road with the Justice Department looking over
6 our shoulder and said this may not comport
7 with the Johnson Act; not because they thought
8 we were too conservative, but because we were
9 too liberal.

10 And so we're trying to fulfill our
11 mandate, our marching orders under the Indian
12 Gaming Regulatory Act. Hopefully with the
13 benefit, hopefully, eventually, with the
14 support of the tribes. But to bring some
15 badly needed clarity to this area.

16 We know that congress said states
17 can't tax tribes. And I don't think anybody
18 in there wildest imagination thought there
19 would eventually be these compacts that
20 provide revenue sharing that fund huge
21 portions of states' budgets as they do in some
22 places. That, perhaps, is something that
23 ought to be addressed. But if it's going to
24 be addressed, congress is the one that needs
25 to address that.

1 We, unfortunately, have to take
2 the act as it was written, as we read it. And
3 it says there is a distinction between these
4 two classes. And part of our job is to help
5 identify what that distinction is. We're
6 trying to get to the right place.

7 CHAIRMAN BARRETT: Well, we've
8 been running a bingo game since 1984
9 ourselves. We had some organized crime
10 figures that ran them from a couple of years
11 before we were able to get them out of there,
12 and we had a three-year fight to get that
13 group of thugs out of our business. And we
14 took it over at considerable personal risk
15 from these people, and we didn't have any
16 support at that point from the federal
17 government.

18 But we have been, since that time,
19 in the entertainment business. That's what
20 casinos have to start realizing. I think all
21 of them do. But I think the National Gaming
22 Commission needs to recognize that we are in

23 the entertainment business and it's a very
24 competitive entertainment business.

25 We have to compete against

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1 internet gaming. Within the next 24 months
2 you will be able to play an electronic slot
3 machine with a channel selector on your
4 television when the cable can run electronic
5 gaming from the internet. That's what we have
6 to compete against.

7 We have run a bingo game for 25
8 years. And if I had a bingo caller that
9 hesitated ten seconds between calling numbers,
10 I would have an empty hall. No bingo caller
11 waits ten seconds between numbers.

12 That's not -- when you call a
13 bingo game, I mean a regular sit-down, bubble
14 machine, dobber on the paper, it's not ten
15 seconds between calls. But the ten seconds is
16 to make the game not entertainment. I mean,
17 that's what the standard will accomplish, if
18 that's what your intent is, is to make it not

19 an entertaining event that people won't do.

20 CHAIRMAN HOGEN: I think there
21 would be two seconds that would separate the
22 calls of the numbers. The ten seconds relates
23 to the play of the game. I don't know how
24 many games your bingo caller could call in ten
25 seconds, but I doubt he could call very many.

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1 CHAIRMAN BARRETT: Of course, we
2 have had instant bingo. We have had You
3 Pick'em. We have had those games since bingo
4 started. We have had pull-tabs. We have had
5 bingo games that occur more quickly than ten
6 seconds. But it's all a function of what is
7 gaming entertainment.

8 And Oklahoma is particularly
9 vulnerable to this change, because we have had
10 an uncertain regulatory environment. We have
11 been zeroed in on for, I think, some
12 regulatory attention. And as a result of that
13 we have these large player participations on a
14 number of tribes. And, admittedly, our tribe

15 does not.

16 But the large player participation
17 has held back the development. We are the
18 third largest gaming state in the United
19 States. 31,000 slot machines operating of
20 some kind, or bingo facsimiles, or whatever
21 you want to call them, there's 31,000 machines
22 operating in the state.

23 But what we haven't had the
24 opportunity to do, what we are -- our industry
25 has not matured to the point where there is a

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1 commensurate development of restaurants,
2 hotels, golf courses, resort facilities,
3 service facilities, support industries, all of
4 the things that should come of a gaming
5 entertainment industry, we have not developed
6 in this state, because we have been constantly
7 behind the curve on what is or isn't legal.

8 Don't buy that machine, because it
9 could get confiscated. Don't go any further
10 than that. Let these guys haul 30 percent or

11 40 percent out of the state. Don't spend a
12 lot of money on the facility, because you
13 never know what's going to happen tomorrow.

14 And in this constant state of flux
15 we, you know, we are finally to the point in
16 Oklahoma where we're going to end up where it
17 becomes something other than gambling. It
18 becomes a source of jobs and industry over the
19 long haul that is a competitive entertainment
20 venue. We have still have three planes a day
21 that leave Will Rogers Airport in Oklahoma
22 City for Las Vegas. We still have four buses
23 is day that load and leave and goes to Tunica,
24 Mississippi. That tells you something.

25 That tells you something. That's

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1 because we still don't have a competitive
2 gaming environment. And what you are doing
3 here just makes us get one step further back
4 in whether or not we have a competitive gaming
5 entertainment offering for the people. We
6 have to compete against these other gaming

7 forces.

8 And doing this to Oklahoma at this
9 stage of our -- of our industry is going to be
10 a crippling blow. Because once you give it to
11 the state, once you make it where the game is
12 not at all competitive -- we don't have any
13 leverage against these Class III guys. We
14 don't have any leverage against the state.
15 The state can tomorrow raise that
16 participation to 18 percent, 20 percent, 50
17 percent, at will.

18 The sad part of it is that the
19 state has -- and the Indian Regulatory
20 Commission has also, National Indian Gaming
21 Regulatory Commission has also not been
22 vigilant in keeping states from extrapolating
23 their regulatory authorities beyond gaming
24 into environment, into employment, into
25 utilities. In virtually every aspect of

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1 tribal sovereignty, we have opened the door.
2 It's not just the camel's nose under the tent.

3 We have open the door.

4 And the National Gaming

5 Commission -- at some point, in the Indian

6 Gaming Regulatory Act, we have to have some

7 protections from that. Whenever you sign a

8 company -- the Indian Gaming Regulatory Act

9 said that states were supposed to negotiate

10 with each tribe. And how do you think that

11 went in Oklahoma? I mean, you know good and

12 well.

13 CHAIRMAN HOGEN: Take-it-or-

14 leave-it deal.

15 CHAIRMAN BARRETT: The Oklahoma

16 Legislature passed a take-it-or-leave-it

17 compact and said, "Here it is." There was no

18 negotiation. Why did the National Indian

19 Gaming Commission at that juncture not

20 intercede?

21 CHAIRMAN HOGEN: Well, with

22 respect to the compacting process, it's not

23 NIGC that plays that role; rather, it's the

24 Secretary of Interior that has to approve or

25 disapprove or let go into effect by operation

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1 of law the compact.

2 So, from time to time the

3 Department of the Interior will seek our

4 advice on subjects, but usually compacts is

5 not one of them.

6 CHAIRMAN BARRETT: So there has

7 been no interaction on state compacts and the

8 way they are designed with the National Indian

9 Gaming Commission.

10 CHAIRMAN HOGEN: Well, the

11 secretary has a short period of time -- is it

12 60 days?

13 MS. COLEMAN: 45.

14 MR. GROSS: 45.

15 CHAIRMAN HOGEN: -- 45 days to

16 look at those. If there is a question, you

17 know -- and unique to the mechanics of gaming,

18 we probably have more experience than they do.

19 I think we have picked up the phone and they

20 have asked us to meet with them. But in terms

21 of the interaction with the state, things like

22 revenue sharing, that's not been something

23 that our advice has been sought on.

24 CHAIRMAN BARRETT: You don't think

25 that the pronouncements of the National Indian

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1 Gaming Commission, yours in particular, had

2 any impact on the pressure of the tribes in

3 Oklahoma to sign compacts?

4 CHAIRMAN HOGEN: Well, when I came

5 on the job in December of 2002, I thought it

6 was a mess in Oklahoma. As we had seen these

7 instances where facilities had been closed and

8 fines had been assessed. Because of the

9 competitive situation here, you have got

10 tribes almost across the street from one

11 another competing for the same market. There

12 was a real need, I felt, for bringing clarity

13 to what you could and couldn't do.

14 And so, you know, we sought out --

15 we sought to solve that problem by coming up

16 with regulations rather than stand back and

17 watch the Justice Department go after tribes

18 criminally or close facilities.
19 We said there's a new Sheriff in
20 town, and we worked with the tribes and we
21 went to the state legislature and said, "Look,
22 this is what we think the rules are and this
23 is what is and isn't Class II gaming." I
24 thought we were doing a service to tribes in
25 trying to bring that clarity there.

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1 While we were thanked for our
2 service by the legislature for coming out
3 there, nobody said, "Boy, you said just
4 exactly what we wanted to hear." You know, I
5 think we tried to tell it like it was. And I
6 think that was part of the impetus to the
7 eventual enactment of legislation that
8 permitted Class III compacting in Oklahoma.
9 Now, certainly, not all tribes
10 were non-players in that process. There were
11 tribes that were very much proponents of what
12 became enacted. And I'm not saying that's
13 good, that's representative of all tribal

14 points of view. But we can't say that it
15 occurred in the absence of any tribal input.
16 There was a lot of that.

17 COMMISSIONER CHONEY: Being a
18 native of Oklahoma, I, for one, was surprised
19 that the tribes signed those compacts. I
20 always suspected that the Five Eastern Tribes,
21 the Five Nations would sign, which they did.
22 I was really, really surprised when the
23 western Oklahoma tribes sign those compacts.

24 CHAIRMAN BARRETT: We had no
25 choice.

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1 COMMISSIONER CHONEY: Well, they
2 had plenty of choices. Why they elected --

3 CHAIRMAN BARRETT: Wait. You
4 forget what the pronouncements were from
5 Strogen (ph.). We were faced with the fact
6 that if we didn't have a Class III compact in
7 effect, we would shut our facilities down at
8 the impending change of Class II declarations.

9 We were, again, back like we were

10 in the eighties, threatened with the idea that
11 the machines we had were going to be declared
12 illegal. And I'm sure we debated this with
13 Ms. Coleman.

14 I mean, there was not just an
15 implied threat. It was a right out front
16 threat that if we didn't sign up, we were
17 going to be put out of business, or worse,
18 prosecuted. I mean, the circulation of the
19 DOJ's criminalization of violations of Class
20 II gaming, you think that didn't get some
21 tribal leaders' attention. That's the stick
22 that's being holding over our head now .

23 Yeah, I don't want to sign a
24 compact, but what choice did we have? And the
25 compact was written in consultation with four

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1 tribes by an attorney hired by someone whose
2 intent was to mitigate a fine for the National
3 Indian Gaming Commission, Absentee Shawnees.

4 And they got their fine reduced by
5 several million dollars because the compact

6 got drafted the way William Norman and Kirk
7 Kickingbird wrote it. You know that and I
8 know that. And that's how that compact ended
9 up being worded the way it was. It was
10 written, paid for by Multimedia and VGT,
11 straight out front, because they perpetuated
12 those profit participation games that they had
13 in that compact.

14 So we don't want to skate around
15 the whole deal. That's the way it happened.
16 You know that and I know that. The only
17 reason we ended up signing the compacts is
18 because we didn't have any choice, because we
19 had the National Indian Gaming Commission
20 saying that, "Here it comes." We're going to
21 get shut down. I wouldn't have signed it in a
22 hundred years. And you heard what I had to
23 say. You all were there. I'm just -- not
24 just once. I have said it many times, that
25 the idea that somehow ten seconds stops it

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1 from being a slot machine, what that means is

2 it's just a bad slot machine. Not that it's

3 not a slot machine.

4 Who takes ten seconds to play it?

5 It's a bad slot machine. It's still a slot

6 machine. The point is it's the entertainment

7 business. People play slot machines for phone

8 cards at convenience stores in Oklahoma. I

9 mean, they are everywhere. Chuck E. Cheese

10 has them. Right? So now all of a sudden ten

11 seconds is the standard between what is or

12 isn't a bingo game. That's just -- it's -- no

13 one sees the absurdity of this exercise?

14 CHAIRMAN HOGEN: Well, I identify

15 with some of those concerns. But it's not the

16 time. It's the participation. And if you're

17 going to have participation, it has got to be

18 meaningful. There has got to be an interval

19 to permit that. But taking our best shot at

20 it, that's what we arrived at. Maybe we need

21 to tweak that more than we have.

22 CHAIRMAN BARRETT: Thank you for

23 your opportunity to speak. I apologize for

24 taking too much time.

25 CHAIRMAN HOGEN: Not at all. We

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1 much appreciate your thoughtful comments, and

2 we will seriously consider them as we try to

3 do the right thing. Thank you.

4 (Proceedings concluded.)

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1 C E R T I F I C A T E

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4 STATE OF OKLAHOMA)

) SS:

5 COUNTY OF OKLAHOMA)

6 I, Trena K. Bloye, Certified Shorthand

7 Reporter for the State of Oklahoma, certify that the

8 foregoing transcript of proceedings taken by me in

9 stenotype and thereafter transcribed is a true and

10 correct transcript of the proceedings; that they

11 were taken on August 8, 2006, at the Cox Convention

12 Center, Oklahoma City, State of Oklahoma; that I am

13 not an attorney for nor a relative of any said

14 parties, or otherwise interested in the event of

15 said action.

16 IN WITNESS WHEREOF, I have hereunto set my

17 hand and seal of office on this the 11th day of

18 August, 2006.

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Trena K. Bloye
Certified Shorthand Reporter
for the State of Oklahoma

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